

# ANALYSIS OF AMENDED BILL

## Franchise Tax Board

Author: Oropeza Analyst: William Koch Bill Number: SB 1641  
Related Bills: See Legislative History Telephone: 845-4372 Amended Date: April 1, 2008  
Attorney: Patrick Kusiak Sponsor: \_\_\_\_\_

**SUBJECT:** FTB Reporting Requirements-FTB May Submit Reports To The Legislature In Electronic Format Including Submission Of Link To Public Web Site Where Report Can Be Downloaded

### SUMMARY

This bill would allow reports to be submitted to the Legislature in electronic format.

This analysis addresses only the provisions of the bill that impact the Franchise Tax Board (FTB).

### SUMMARY OF AMENDMENTS

The April 1, 2008, amendments deleted spot bill language and added language that would expressly allow FTB to send reports to the Legislature in electronic format.

### PURPOSE OF THE BILL

According to the author's office, the purpose of this bill is to reduce the amount of state resources used to print and mail certain reports by allowing the reports to be submitted to the Legislature electronically.

### EFFECTIVE/OPERATIVE DATE

This bill would be effective and operative on January 1, 2009.

### POSITION

Pending.

### ANALYSIS

#### STATE LAW

Under current state law, FTB is required to make available or submit to the Legislature annually the following three reports:

- Summary of Federal Income Tax Changes (submitted to the Legislature)
- Annual Taxpayers' Bill of Rights (submitted to the Legislature)
- Enterprise Zones (made available to the Legislature)

Board Position:

_____ S	_____ NA	_____ NP
_____ SA	_____ O	_____ NAR
_____ N	_____ OUA	<u>  X  </u> PENDING

Department Director

Date

Selvi Stanislaus

4/9/08

The provisions that require these reports to be submitted do not prescribe a method of distribution to the Legislature.

Currently, FTB sends copies of the Summary of Federal Income Tax Changes report electronically to several offices within the Legislature. The report is also posted to the department's public Web site. This report is typically several hundred pages long.

### **THIS BILL**

This bill would allow FTB to send any required report, including the Summary of Federal Income Tax Changes report, the Annual Taxpayers' Bill of Rights report, and the Enterprise Zones report, to the Legislature in electronic format instead of printing and mailing paper copies of the reports. Electronic format would include sending the Legislature a link to the department's public Web site where the reports could be downloaded.

### **IMPLEMENTATION CONSIDERATIONS**

Because all reports are created in electronic form, implementing this bill would not impact the department's programs and operations.

### **LEGISLATIVE HISTORY**

AB 219 (Nakanishi, 2005/2006) would have established procedures for state agencies to submit mandated reports to the Legislature, the Governor or specified committees of the Legislature. This bill failed to pass out of the Senate Committee on Appropriations by the constitutional deadline.

AB 2482 (Campbell, 2003/2004) would have required state agencies to submit reports electronically and submit printed copies of the reports upon request. This bill failed passage from the Business & Professions Committee.

AB 2198 (Liu, 2003/2004) would have established procedures for state agencies to submit mandated reports. In addition, this bill would have required state agencies to have electronic versions of reports available for download. This bill failed to pass out of the house of origin by the constitutional deadline.

### **FISCAL IMPACT**

The cost savings are anticipated to be insignificant because the department presently sends reports to the Legislature electronically.

### **ECONOMIC IMPACT**

This bill would not impact state income tax revenues.

### **LEGISLATIVE STAFF CONTACT**

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